



STAND ALONE FINANCIAL STATEMENT

HALF-YEAR REPORT 2008

**PREPARED ACCORDING TO INTERNATIONAL FINANCIAL
REPORTING STANDARDS**

(ALL AMOUNTS IN THOUSANDS PLN)

LUBLIN, SEPTEMBER 2008

Table of Contents

1. Selected financial data	3
2. Balance sheet.....	4
3. Profit and loss statement.....	5
4. Changes in equity	6
5. Cash Flow	7
6. Other Information and explanatory notes	9

1. Selected financial data

SELECTED FINANCIAL DATA	PLN		EURO	
	6 MONTHS ended 30 June 2008	6 MONTHS ended 30 June 2007	6 MONTHS ended 30 June 2008	6 MONTHS ended 30 June 2007
I. Net sales of merchandise and finished products	26 796	315 540	7 705	81 988
II. Profit on operating activities	3 156	11 448	908	2975
III. Profit (loss) before taxation	367	10 821	105	2 812
IV. Net profit (loss)	(525)	8 118	(151)	2109
V. Net cash flow from operating activities	4 915	1 470	1413	382
VI. Cash flow from investment activities	(20 348)	(5 671)	(5851)	(1473)
VII. Cash flow from financing activities	9 113	4 361	2620	1133
VIII. Total net cash flows	(6 319)	160	(1817)	41
IX. Total assets	606 358	376 128	180776	99880
X. Liabilities and provisions for liabilities	22 754	27 075	6784	7190
XI. Long-term liabilities	531	252	158	67
XII. Short-term liabilities	22 223	26 823	6625	7123
XIII. Equity	583 604	349 053	173992	92690
XIV. Share capital	15 115	13 270	4506	3524
XV. Number of shares	15 115 161	13 270 200	15 115 161	13 052 727
XVI. Number of shares - weight average	15 013 137	13 052 727	15 013 137	13 052 727
XVII. Net profit per ordinary share (in PLN / EUR)* annualized	0,40	1,29	0,12	0,34
XVIII. Diluted net profit per ordinary share (in PLN / EUR))* annualized	0,40	1,29	0,12	0,34
XIX Book value per share (in PLN / EUR)**	38,61	26,30	11,51	6,98
XX. Diluted book value per ordinary share (in PLN/EURO)	38,61	26,30	11,51	6,98
XXI. Declared or paid dividend (in PLN/ EUR)**	0,88	1,74	0,26	0,46

* dividend per share was calculated for number of Emitent's shares (weighted average) 2008: January – May 14 992 732, June 15 115 161 and in 2007: January – March 12 923 985, April 13 004 006, May – June 13 270 200

** dividend per share was calculated for number of Emitent's shares on the day, when the report has been prepared – 2008: 15 115 161 and 2007: 13 270 200

Average rate of Exchange for points I-VIII,XVII-XXI: 2008 - 3,4776 PLN/EURO
2007 - 3,8486 PLN/EURO

Exchange rate for points IX-XIII: as at 30.06.2008 – 3,3542 PLN/EURO
as at 30.06.2007 – 3,7658 PLN/EURO

2. Balance sheet

	Note	As At 30 June 2008	As At 31 December 2007
Total Non-current Assets		503 346	468 380
Property, plant, equipment and investments	1,2	40 254	35 922
Investments – real estates	3	3 166	
Intangible assets	4,5	3 475	2 685
Goodwill	6		
Financial assets	7	454 919	428 611
Receivables and prepayments	8	522	75
Deferred tax assets	9	1 010	1 087
Total Current Assets		103 012	128 007
Inventory	10	968	6
Receivables and prepayments	11	9 150	10 581
Income tax receivables			
Short-term securities	12	65 829	84 430
Prepaid expenses	13	589	396
Cash and cash equivalents	14	26 275	32 594
Other financial assets	15	201	
Total Assets		606 358	596 387
Total Equity		583 604	583 977
Share capital	16	15 115	14 770
Share capital not registered			223
Share premium		549 559	536 227
Reserve capital		1 526	1 526
Other reserve capital		19 871	18 542
Retained earnings	17	(2 467)	12 689
Total Equity capital assigned Stockholders from dominant company		583 604	583 977
Equity capital of the minority stockholders			
Total Long Term Liabilities		531	487
Bank loans, borrowings and bonds	18		
Long-term liabilities	19		
Provisions	20	43	43
Deferred revenues and accruals	21	488	444
Total Short Term Liabilities		22 223	11 922
Bank loans, borrowings and bonds	22		
Short-term liabilities	23	19 622	8 162
Income tax liabilities		91	119
Provisions	20	2 497	3 634
Other accrued liabilities	24	13	7
Total Liabilities and Equity		606 358	596 387

Book value	583 605	583 977
Number of shares	15 115 161	14 992 732
Book value per share (in PLN)	38,61	38,95

3. Profit and loss statement

	Note	6 MONTHS ended 30 June 2008	6 MONTHS ended 30 June 2007
Sales		26 796	315 540
- including related entities		21 727	70 089
Sales of products and services	25	25 447	23 820
Sales of goods and materials	26	1 349	291 720
Cost of sales		(16 454)	(267 953)
- including related entities		(15 990)	(59 275)
Manufacturing cost of products sold		(15 333)	
Value of goods and materials sold		(1 121)	(267 953)
Gross profit (loss)		10 342	47 587
Other operating revenues	27	300	385
Selling costs	28	(2)	(21 640)
General and administrative costs	28	(7 412)	(14 699)
Other operating expenses	29	(72)	(185)
Operating profit (loss)		3 156	11 448
Finance income	30	3 173	426
Finance costs	31	(5 962)	(1 053)
Profit (loss) before income tax		367	10 821
Income tax		(892)	(2 703)
Current	32	(771)	(1 322)
Deferred	33	(121)	(1 381)
Net profit		(525)	8 118
Net profit for the dominant stockholders			
Net profit for the minority stockholders			
Net profit (loss) (annualized)		5 987	16 874
Number of shares - weight average *		15 013 137	13 052 727
Net profit (loss) per ordinary share (in PLN) (annualized)		0,40	1,29

* Number of shares - weight average 2008: January – May 14 992 732, June 15 115 161

* Number of shares - weight average 2007: January – March 12 923 985, April 13 004 006, May – June 13 270 200

4. Changes in equity

As at 30.06.2008

	Share capital	Share premium	Reserve capital	Other reserve capital	Capital from revaluation	Retained Earnings	TOTAL equity
As at 1 January 2008	14 993	536 227	1 526	18 542	0	12 689	583 977
Change of accounting policy							
As at 1 January 2008 adjusted	14 993	536 227	1 526	18 542	0	12 689	583 977
Net profit (loss) for the period						(525)	(525)
The issue of new shares	122	13 332					13 454
Distribution of profits				1 329		(1 329)	
Dividend for 2007						(13 301)	(13 301)
As at 30 June 2008	15 115	549 559	1 526	19 871	0	(2 467)	583 604

As at 30.06.2007

	Share capital	Share premium	Reserve capital	Other reserve capital	Capital from revaluation	Retained Earnings	TOTAL equity
As at 1 January 2007	12 924	273 292	1 526	28 576	0	11 115	327 433
Change of accounting policy							
As at 1 January 2007 adjusted	12 924	273 292	1 526	28 576	0	11 115	327 433
Net profit (loss) for the period						8 118	8 118
The issue of new shares	346	13 156					13 502
As at 30 June 2007	13 270	286 448	1 526	28 576	0	19 233	349 053

5. Cash Flow

	6 MONTHS ended 30 June 2008	6 MONTHS ended 30 June 2007
Net profit (loss)	(525)	8 118
Adjustments provided by operating activities:	5 440	(6 648)
Depreciation	2 255	3 476
Foreign exchange gain (loss)		
Interest	(2 542)	851
Corporate income tax	892	2 702
Loss (profit) on investments	1 571	(213)
Change in provisions	(1 137)	(2 567)
Change in inventories	(962)	(12 028)
Change in receivables	3 177	318
Change in deferred revenues and accruals	(622)	179
Change in payables	(747)	3 948
Other adjustments	4 353	(114)
Corporate income tax paid	(798)	(3 200)
Net cash flow from operations	4 915	1 470
Inflows	273 312	25 736
Disposal of tangible and intangible fixed assets	1 810	877
Disposal of financial assets	271 500	21 700
Dividends received		
Interest received	2	59
Repayment of granted loans		
Other		3 100
Outflows	(293 660)	(31 407)
Purchase of tangible and intangible fixed assets	(9 489)	(6 504)
Real estates purchase	(3 182)	(4 186)
Purchase of dependent subjects	(9 428)	
Purchase of financial assets	(250 361)	
Given loans	(200)	
Other	(21 000)	(20 717)
Net cash flow from investment activities	(20 348)	(5 671)
Inflows	13 463	59 765
Loans and borrowings acquired		5 158
Issue of debt securities		54 607
Issue of new share	13 463	
Other		
Outflows	(4 350)	(55 404)
Repayment of loans and borrowings		(1 788)
Redemption of debt securities		(52 672)
Payment of liabilities arising from financial leases		
Interest paid		(944)
Dividends paid		

Other	(4 350)	
Net cash flow from financial activities	9 113	4 361
Total net Cash flow	(6 319)	160
Foreign exchange gain (loss)		
Cash and Cash equivalents opening balance	32 594	2 817
Cash and Cash equivalents closing balance	26 275	2 977

6. Other Information and explanatory notes

Note 1

TANGIBLE FIXED ASSETS	30 June 2008	31 December 2007
Freehold land	197	200
- <i>right for perpetual usufruct</i>	197	200
Buildings and constructions	26 782	19 816
Equipment and machines	9 542	5 034
Vehicles	3 492	4 035
Other tangible fixed assets	12	13
Tangible fixed assets in progress	229	6 824
Prepayments for construction in progress		
Total tangible fixed assets	40 254	35 922

TANGIBLE FIXED ASSETS IN PROGRESS	30 June 2008	31 December 2007
Freehold land		
- <i>right for perpetual usufruct</i>		
Buildings and constructions	163	6 813
Equipment and machines	66	11
Vehicles		
Other tangible fixed assets in progress		
Total tangible fixed assets in progress	229	6 824

TANGIBLE FIXED ASSETS BASED ON RENTAL, LEASING	30 June 2008	31 December 2007
Freehold land		
- <i>right for perpetual usufruct</i>		
Buildings and constructions	12 811	12 811
Equipment and machines	83	30
Vehicles		
Other		
Total	12 894	12 841

Nota 2 –At 30 June 2008

TANGIBLE FIXED ASSETS – MOVEMENTS (by group)	- land including perpetual usufruct	- buildings	- machines and technical equipment	- vehicles	- other fixed assets	- tangible fixed assets in progress	Total fixed tangible assets
a) opening balance of fixed assets, gross value	244	23 267	9 039	5 133	41	6 824	44 548
b) additions:		7 372	5 390	1 865		2 142	16 769
- purchases			2 638	713		2 142	5 493
- purchases as a result of company takeover							
- transfers from tangible fixed assets in progress		7 372	211	1 152			8 735
- donations							
- other			2 541				2 541
c) disposals:			(7)	(2 475)		(8 737)	(11 219)
- sale			(7)	(2 475)			(2 482)
- liquidation							
- transfers to tangible fixed assets						(8 737)	(8 737)
- other							
d) closing balance of fixed assets, gross value	244	30 639	14 422	4 523	41	229	50 098
e) opening balance of cumulative depreciation	45	3 451	4 005	1 098	28		8 627
f) depreciation additions:	2	406	876	464	1		1 749
- planned	2	406	876	464	1		1 749
g) depreciation disposals:			(1)	(531)			(532)
- sales			(1)	(531)			(532)
- liquidation							
- distribution							
- other							
h) closing balance of cumulative depreciation	47	3 857	4 880	1 031	29		9 844
i) opening balances of value adjustments							
- additions							
- disposals							
j) closing balances of value adjustments							
k) closing balance of fixed assets, net value	197	26 782	9 542	3 492	12	229	40 254

Nota 2 –At 31 December 2007

Zmiana stanu rzeczowych aktywów trwałych	- land including perpetual usufruct	- buildings	- machines and technical equipment	-vehicles	- other fixed assets	- tangible fixed assets in progress	Total fixed tangible assets
a) opening balance of fixed assets, gross value	244	30 703	18 024	26 285	6 286	363	81 905
b) additions:		534	1 377	4 117	175	9 205	15 408
- purchases		10	1 308	2 057	175	9 205	12 755
- purchases as a result of company takeover							
- transfers from tangible fixed assets in progress		524	69	2 060			2 653
- donations							
- other							
c) disposals:		(7 970)	(10 363)	(25 269)	(6 420)	(2 744)	(52 766)
- sale			(186)	(996)	(1)	(90)	(1 273)
- liquidation							
- transfers to tangible fixed assets						(2 654)	(2 654)
- other		(7 970)	(10 177)	(24 273)	(6 419)		(48 839)
d) closing balance of fixed assets, gross value	244	23 267	9 038	5 133	41	6 824	44 547
e) opening balance of cumulative depreciation	39	4 853	8 875	13 710	3 812		31 289
f) depreciation additions:	5	971	1 532	1 847	270		4 625
- planned	5	971	1 532	1 847	270		4 625
g) depreciation disposals:		(2 373)	(6 403)	(14 459)	(4 054)		(27 289)
- sales			(142)	(524)			(666)
- liquidation							
- other		(2 373)	(6 261)	(13 935)	(4 054)		(26 623)
h) closing balance of cumulative depreciation	44	3 451	4 004	1 098	28		8 625
i) opening balances of value adjustments		149					149
- additions							
- disposals		(149)					(149)
j) closing balances of value adjustments							
k) closing balance of fixed assets, net value	200	19 816	5 034	4 035	13	6 824	35 922

Note 3

INVESTMENTS ON REAL ESTATE	30 June 2008	31 December 2007
Gross value at the beginning of the period		
Additions	3 166	
- purchase	3 166	
- <i>purchases as a result of company takeover</i>		
- other		
Disposals		
- <i>alienation</i>		
- <i>other</i>		
Gross value at end of the period	3 166	
Opening balance of cumulative depreciation		
Additions		
Disposals		
Closing balance of cumulative depreciation		

Note 4

INTANGIBLE FIXED ASSETS	30 June 2008	31 December 2007
Research and development expenditure		
Goodwill		
Concessions, patents, licenses and similar assets	1 896	1 641
Other intangible fixed assets		
Intangible fixed assets don't engage to use	1 579	1 044
Intangible fixed assets total	3 475	2 685

Note 5 – At 30 June 2008

INTANGIBLE FIXED ASSETS - MOVEMENTS (by group)	research and development	concessions, patents, licenses and similar assets:		other intangible fixed assets	Pre-payment for intangible fixed assets	Total intangible fixed assets
			- including computer software			
a) gross value at the beginning of the period		3 880	3 880	7	1 044	4 931
b) additions:		920	920		638	1 558
- purchases		817	817		638	1 455
- purchases as a result of company takeover						
- transfers from investments		103	103			103
- other						
c) disposals		(177)	(177)		(103)	(280)
- sale		(177)	(177)			(177)
- transfer of intangible fixed assets					(103)	(103)
- other						
d) gross value at the end of the period		4 623	4 623	7	1 579	6 209
e) opening balance of cumulative depreciation		2 239	2 239	7		2 246
f) depreciation additions		504	504			504
- planned		504	504			504
- as a result of company takeover						
g) depreciation disposals		(16)	(16)			(16)
- sales		(16)	(16)			(16)
- liquidation						
- other						
h) closing balance of cumulative depreciation		2 727	2 727	7		2 734
i) opening balances of value adjustments						
- additions						
- disposals						
j) closing balances of value adjustments						
k) closing balance of fixed assets, net value		1 896	1 896	0	1 579	3 475

Note 5 – at 31.12.2007

INTANGIBLE FIXED ASSETS - MOVEMENTS (by group)	research and development	Goodwill	concessions, patents, licenses and similar assets:		other intangible fixed assets	Pre-payment for intangible fixed assets	Total intangible fixed assets
				- including computer software			
a) gross value at the beginning of the period		1 644	2 326	2 326	7		2 333
b) additions:			2 077	2 077		1 336	3 413
- purchases			1 785	1 785		1 336	3 121
- purchases as a result of company takeover							
- transfers from investments			292	292			292
- other							
c) disposals		1 644	(523)	(523)		(292)	(815)
- sale		1 644	(5)	(5)			(5)
- transfer of intangible fixed assets						(292)	(292)
- liquidation			(180)	(180)			(180)
- other			(338)	(338)			(338)
d) gross value at the end of the period		1 644	3 880	3 880	7	1 044	4 931
e) opening balance of cumulative depreciation			2 076	2 076	7		2 083
f) depreciation additions			648	648			648
- planned			648	648			648
- purchases as a result of company takeover							
g) depreciation disposals			(485)	(485)			(485)
- sale			(4)	(4)			(4)
- liquidation			(180)	(180)			(180)
- other			(301)	(301)			(301)
h) closing balance of cumulative depreciation			2 239	2 239	7		2 246
i) opening balances of value adjustments							
- additions							
- disposals							
j) closing balances of value adjustments							
k) closing balance of fixed assets, net value			1 641	1 641		1 044	2 685

Note 6

Goodwill	30 June 2008	31 December 2007
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Note 7

FINANCIAL ASSETS	30 June 2008	31 December 2007
other shares	163 774	141 626
- including related entities	163 774	141 626
- shares	291 145	286 985
- including related entities	291 145	286 985
- other securities		
- including related entities		
- loans granted		
- including related entities		
- other financial assets		
- including related entities		
Total financial assets	454 919	428 611

Long-term financial assets in related entities	Other shares	shares	other securities	loans granted	other financial assets	Total long-term financial assets in related entities
a) opening balance of long-term financial assets in related entities, gross value	141 626	286 985				428 611
b) additions:	25 160	4 160				29 320
- purchases	25 160	4 160				29 320
- purchases as a result of company takeover						
- other						
c) disposals	(3 012)					(3 012)
- sale	(3 012)					(3 012)
- liquidation						
- other						
d) closing balance of long-term financial assets in related entities, net value	163 774	291 145				454 919

Note 8

Long-term receivables and prepaid expenses	30 June 2008	31 December 2007
Long-term receivables	513	63
a) deposit on rental fee	513	63
- including related entities	58	58
b) other long receivables		
- including related entities		
Other prepaid expenses	9	12
Long-term receivables and other prepaid expenses	522	75

Other prepaid expenses	30 June 2008	31 December 2007
Marketing services		
Concessions		
Rental		
Other	9	12
Other prepaid expenses	9	12

Note 9

Deferred tax assets	30 June 2008	31 December 2007
Deferred tax asset at beginning of period	1087	2810
a) posted to net result	1087	2343
b) posted to equity		467
Additions	120	784
a) posted to net result	120	784
b) posted to equity		
Disposals	(197)	(2507)
a) posted to net result	(197)	(2040)
b) posted to equity		(467)
Total deferred tax asset at the end of period, including	1010	1087
a) posted to net result	1010	1087
b) posted to equity		

Deferred income tax assets from:	30 June 2008	31 December 2007
Trade debtors	26	50
Salaries to pay	501	338
Provision for pensions	8	8
Provision for holiday equivalents	198	150
Provision for premium salary for management	261	523
Provision for audit	16	17
Other		1
Deferred income tax assets total	1 010	1 087

Note 10

Inventory	30 June 2008	31 December 2007
Materials	54	6
Merchandises	914	
Prepayments for inventory		
Revaluation of inventory		
Total inventory	968	6
Revaluation of inventory	30 June 2008	31 December 2007
Revaluation of inventory – opening balance		4 936
Creating of write-offs – inventory		
Reversal of write-offs – inventory		(4 936)
Revaluation of inventory – closing balance	0	0

Pledges	30 June 2008	31 December 2007
Pledges:		
- bank loans – goods		
- warranty		
Total pledges	0	0

Note 11

Receivables	30 June 2008	31 December 2007
Trade debtors	11 564	13 843
<i>including: related entities</i>	2 932	4 422
Taxation, subsidy and social security debtors	337	974
Subject to legal proceedings	8	31
Pre-payments pay in advance	1	51
Other receivables	2 516	1 176
<i>including: related entities</i>	1 882	25
Impairment loss for bad debts	(5 276)	(5 494)
Total receivables	9 150	10 581

Change in impairment losses for current bad debts	30 June 2008	31 December 2007
Opening balance - at the beginning of the year	(5 494)	(5 552)
<i>including: related entities</i>		
Additions	(3)	(337)
- <i>new change in impairment losses for current bad debts</i>	(3)	
- <i>as a result of company takeover</i>		
<i>including: related entities</i>		
Disposals	221	395
<i>including: related entities</i>		
- exploitation		
<i>including: related entities</i>		
- dissolution	221	395
<i>including: related entities</i>		
Closing balance - at the end of the year	(5 276)	(5 494)
<i>including: related entities</i>		

Ageing of trade debtors	30 June 2008	31 December 2007
Due within 1 month	5 625	6 246
Due between 1 and 3 months	223	521
Due between 3 and 6 months		
Due between 6 months and 1 year		
Due after 1 year		
Overdue trade debtors	5 716	7 076
Impairment loss for trade debtors	(5 276)	(5 494)
Total net trade debtors	6 288	8 349

Ageing of overdue trade debtors	30 June 2008	31 December 2007
1 month	181	1 371
between 1 and 3 months	232	195
between 3 and 6 months		43
between 6 months and 1 year	34	41
after 1 year	5 269	5 426
Impairment loss for trade debtors	(5 276)	(5 494)
Total net overdue trade debtors	440	1 582

Note 12

Short term financial assets	30 June 2008	31 December 2007
- debt securities	65 829	84 430
<i>including: related entities</i>	65 829	84 430
Total short term financial assets	65 829	84 430

Purchase and repurchase short-term discount bonds (face value) by Emperia Holding in 2008:

Purchase and repurchase short-term discount bonds by Emperia Holding	Total 2008	External issue 2008	Elpro Sp. z o.o. 2008	Stokrotka Sp. z o.o. 2008	Tradis Sp. z o.o. 2008	BOS S.A. 2008
Opening balance	85 000	0	5 000	30 000	15 000	35 000
Issue of bonds	252 500	0	52 500	90 000	10 000	100 000
Repurchase	(271 500)	0	(51 500)	(80 000)	(25 000)	(115 000)
Closing balance	66 000	0	6 000	40 000	0	20 000
Closing balance with discount	65 829	0	5 989	39 876	0	19 964

Note 13

Short term prepaid expenses	30 June 2008	31 December 2007
Marketing services	37	
Subscriptions, charges and other fees	27	8
Insurance	66	166
Technical assistance	145	107
Rental	45	
Social services	113	
Advertisements		
Electricity		
Costs of supervision		
Costs to re-invoice	104	83
Other	52	32
Total short term prepaid expenses	589	396

Note 14

Cash and cash equivalents	30 June 2008	31 December 2007
Cash at cash desk	72	20
Cash at bank	26 203	32 574
Other		
Total cash and cash equivalents	26 275	32 594

Nota 15

Other short term financial assets	30 June 2008	31 December 2007
Investments		
Loans	201	
<i>including: related entities</i>		
Total other short term financial assets	201	

Note 16 – at 30.06.2008

Equity							
Series/ issue	Type of shares	Type of preference	Number of shares	Value of series/ issue in nominal value	Origin of capital	Registration date	Right to dividend (from date)
A	ordinary	none	100 000	100 000	cash	30.11.1994	30.11.1994
B	ordinary	none	2 200 000	2 200 000	cash	26.09.1995	01.01.1995
C	ordinary	none	2 093 700	2 093 700	cash	11.02.1999	01.01.1999
D	ordinary	none	408 400	408 400	cash	25.06.1999	01.01.1999
E	ordinary	none	240 200	240 200	cash	12.12.2001	01.01.2001
F	ordinary	none	259 500	259 500	cash	12.12.2001	01.01.2001
G	ordinary	none	1 333 300	1 333 300	cash	12.12.2001	01.01.2001
H	preference shares	none	2 085 323	2 085 323	contribution - BOS S.A. shares	02.01.2007	01.01.2006
I	preference shares	none	4 203 562	4 203 562	contribution - BOS S.A. shares	02.01.2007	01.01.2006
J	preference shares	none	55 747	55 747	contribution - BOS S.A. shares	11.05.2007	01.01.2006
L	ordinary	none	1 500 000	1 500 000	cash	24.10.2007	01.01.2007
Ł	preference shares	none	140 388	140 388	Contribution - Maro-Markety Sp. z o.o.	12.02.2008	01.01.2007
M	preference shares	none	82 144	82 144	contribution Centrum Sp. z o.o.	12.02.2008	01.01.2007
N	preference shares	none	122 429	122 429	contribution - Sydo Sp. z o.o. and Alpaga-Xema Sp. z o.o.	06.06.2008	01.01.2007
Total number of shares			15 115 161				
Total equity				15 115 161			
One share nominal value = 1 PLN							

Note 16 – At 31.12.2007

Equity							
Series/ issue	Type of shares	Type of preference	Number of shares	Value of series/ issue in nominal value	Origin of capital	Registration date	Right to dividend (from date)
A	ordinary	none	100 000	100 000	cash	30.11.1994	30.11.1994
B	ordinary	none	2 200 000	2 200 000	cash	26.09.1995	01.01.1995
C	ordinary	none	2 093 700	2 093 700	cash	11.02.1999	01.01.1999
D	ordinary	none	408 400	408 400	cash	25.06.1999	01.01.1999
E	ordinary	none	240 200	240 200	cash	12.12.2001	01.01.2001
F	ordinary	none	259 500	259 500	cash	12.12.2001	01.01.2001
G	ordinary	none	1 333 300	1 333 300	cash	12.12.2001	01.01.2001
H	preference shares	none	2 085 323	2 085 323	contribution - BOS S.A. shares	02.01.2007	01.01.2006
I	preference shares	none	4 203 562	4 203 562	contribution - BOS S.A. shares	02.01.2007	01.01.2006
J	preference shares	none	55 747	55 747	contribution - BOS S.A. shares	11.05.2007	01.01.2006
L	ordinary	none	1 500 000	1 500 000	cash	24.10.2007	01.01.2007
Ł	preference shares	none	140 388	140 388	contribution Maro-Markety Sp. z o.o.	12.02.2008	01.01.2007
M	preference shares	none	82 144	82 144	contribution Centrum Sp. z o.o.	12.02.2008	01.01.2007
Equity							
Total number of shares			14 992 732				
Total equity				14 992 732			
One share nominal value =	1 PLN						

Changes in reserve capital	Reserve capital	Other reserve capital
1 January 2008	1 526	18 542
Increase (issue of the new shares in 2008 above face value and distribution of profits)		1 329
30 June 2008	1 526	19 871
1 January 2007	1 526	28 576
Increase (issue of the new shares in 2007 above face value)		
31 December 2007	1 526	28 576

Note 17

Retained earnings	30 June 2008	31 December 2007
Retained net profit	(1 942)	(1 941)
- including: corrections of fundamental errors		
Net profit (loss) from the current year	(525)	14 630
Total retained earnings	(2 467)	12 689

Note 18

Long-term bank loans and other	30 June 2008	31 December 2007
Credits		
Bank loans		
- including: related entities		

Note 19

Long-term liabilities	30 June 2008	31 December 2007
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Note 20

Provisions	30 June 2008	31 December 2007
Provisions for employees' benefits	2 457	3 583
a) provision for pensions	43	43
b) provision for holiday equivalents	1 040	789
c) provision for premium salary	1 374	2 751
Other provisions	83	94
a) provision for audit	83	90
b) provision for warranty		
c) other		4
Total provisions	2 540	3 677

Provisions for employees' benefits	30 June 2008	31 December 2007
Long-term	43	43
a) provision for pensions	43	43
b) provision for holiday equivalents		
c) provision for premium salary		
d) other		
Short-term	2 497	3 634
a) provision for pensions		
b) provision for holiday equivalents	1 040	789
c) provision for premium salary	1 374	2 751
d) other	83	94
Rezerwy razem	2 540	3 677

Change of provisions for employees' benefits	30 June 2008	31 December 2007
Provision for pensions opening balance	43	73
<i>Additions</i>		33
<i>Disposals</i>		(63)
Provision for pensions closing balance	43	43
Provision for holiday equivalents opening balance	789	1 537
<i>Additions</i>	251	385
<i>Disposals</i>		(1 133)
Provision for holiday equivalents closing balance	1 040	789
Provision for premium salary opening balance	2 752	2 792
<i>Additions</i>		2 751
<i>Disposals</i>	(1 378)	(2 792)
Provision for premium salary closing balance	1 374	2 751
Change of provisions for employees' benefits opening balance	3 584	4 402
<i>Additions</i>	251	3 169
<i>Disposals</i>	(1 378)	(3 988)
Change of provisions for employees' benefits closing balance	2 457	3 583

Note 21

Deferred tax income - provisions	30 June 2008	31 December 2007
Deferred tax income - provisions opening balance	444	680
a) posted to net result	444	680
b) posted to equity		
Additions	44	227
a) posted to net result	44	227
b) posted to equity		
Disposals		(463)
a) posted to net result		(463)
b) posted to equity		
Deferred tax income - provisions closing balance	488	444
a) posted to net result	488	444
b) posted to equity		

Deferred income tax provisions by kind	30 June 2008	31 December 2007
Bonds' discount	8	86
Long term bank loans commission.		
Differences between tax value and book value of fixed assets	479	351
Other	1	7
Deferred income tax provisions by kind	488	444

Note 22

Short- term bank loans and others	30 June 2008	31 December 2007
Bank loans		
Bonds		
<i>including: related entities</i>		
Total short- term bank loans and others		

Purchase and repurchase short-term discount bonds (face value) by Emperia Holding in 2007

Purchase and repurchase discount bonds	Total 2007	External issue 2007	Stokrotka Sp. z o.o. 2007	BOS S.A. 2007	Tradis Sp. z o.o. 2007
Opening balance	18 000	10 000	8 000	0	0
Issue of bonds	101 000	45 000	13 000	7 000	36 000
Repurchase	119 000	55 000	21 000	7 000	36 000
Closing balance	0	0	0	0	0
Closing balance with discount	0	0	0	0	0

Note 23

Short-term liabilities	30 June 2008	31 December 2007
Trade payables	1 249	996
<i>including: related entities</i>	74	259
Taxation, subsidy and social security	2 366	2 291
Salary	1 437	939
Prepayments		
<i>including: related entities</i>		
Other liabilities	14 570	3 936
<i>including: related entities</i>	182	64
Total short-term liabilities	19 622	8 162

Ageing of trade payables	30 June 2008	31 December 2007
Due within 1 month	708	516
Due between 1 and 3 months	13	123
Due between 3 and 6 months		
Due between 6 months and 1 year		
Due after 1 year		
Overdue trade debtors	528	357
Total trade payables	1 249	996

Ageing of overdue trade payables	30 June 2008	31 December 2007
1 month	467	310
between 1 and 3 months	23	25
between 3 and 6 months	5	14
between 6 months and 1 year	21	6
after 1 year	12	2
Overdue trade payables	528	357

Note 24

Deferred income	30 June 2008	31 December 2007
Settlement of vehicles' damages	13	7
Settlement of estates' damages		
Total deferred income	13	7

Note 25

NET SALES OF PRODUCTS (by type of products)	6 months ended 30 June 2008	6 months ended 30 June 2007
Sales of services	25 447	23 820
- including to related entities	20 520	7 878
Total net sales of products	25 447	23 820
- including to related entities	20 520	7 878

NET SALES OF PRODUCTS (by geographic area)	30 June 2008	30 June 2007
Domestic	25 447	23 820
- including to related entities	20 520	7 878
Export		
- including to related entities		
Total net sales of products	25 447	23 820
- including to related entities	25 520	7 878

Note 26

NET SALES OF MERCHANDISES AND MATERIALS (by type of activity))	6 months ended 30 June 2008	6 months ended 30 June 2007
Sales of services	1 349	291 720
- including to related entities	1 206	62 211
Total net sales of products	1 349	291 720
- including to related entities	1 206	62 211

NET SALES OF MERCHANDISE AND MATERIALS (by geographic area)	6 months ended 30 June 2008	6 months ended 30 June 2007
Domestic	1 349	291 720
- including to related entities	1 206	62 211
Export		
- including to related entities		
Total net sales of merchandise and materials	1 349	291 720
- including to related entities	1 206	62 211

Note 27

NON OPERATING INCOME	6 months ended 30 June 2008	6 months ended 30 June 2007
Profit from the disposal of non-financial fixed assets	30	84
Revaluation of assets value	194	
Other non operating income	76	301
Total non operating income	300	385

OTHER NON OPERATING INCOME	6 months ended 30 June 2008	6 months ended 30 June 2007
Penalties		7
Compensation of vehicle damages	56	88
Compensation of fixed assets damages		6
Court proceedings costs	20	29
Transfer rights from rental		
Other		171
Total other non operating income	76	301

Note 28

COST BY KIND	6 months ended 30 June 2008	6 months ended 30 June 2007
depreciation and amortization	(2 255)	(3 476)
materials and energy	(1 732)	(5 038)
external services	(6 051)	(9 331)
payroll	(10 085)	(14 504)
social security and other employee benefits	(1 774)	(3 046)
taxes and charge	(533)	(512)
other costs	(317)	(432)
Total cost by kind of expenditure	(22 747)	(36 339)
Sales costs	(2)	(21 640)
Overhead costs	(7 412)	(14 699)
Cost of products sold	(15 333)	
Cost of manufactured computer software		

Payroll	6 months ended 30 June 2008	6 months ended 30 June 2007
salary	(10 085)	(13 978)
social security	(1 498)	(2 610)
company's social benefit fund	(131)	(177)
personnel training	(90)	(100)
other	(55)	(685)
Total payroll	(11 859)	(17 550)

Note 29

NON OPERATING EXPENSES	6 months ended 30 June 2008	6 months ended 30 June 2007
Loss from the sale of non-financial fixed assets		
Revaluation of non-financial assets		
Other non operating expenses	(72)	(185)
Total non operating expenses	(72)	(185)

Other non operating expenses	6 months ended 30 June 2008	6 months ended 30 June 2007
Donations	(8)	(3)
Vehicle damages	(63)	(134)
Fixed assets damages		(6)
Court proceedings costs	(1)	(36)
Other		(6)
Total other non operating expenses	(72)	(185)

Note 30

FINANCIAL INCOME	6 months ended 30 June 2008	6 months ended 30 June 2007
Dividend:		
- including related entities		
Interest	3 173	426
- including related entities	2 541	138
Total financial income	3 173	426

Interest	6 months ended 30 June 2008	6 months ended 30 June 2007
Loans granted	3	70
- including related entities		59
Interest on overdue receivables	42	273
- including related entities	2	
Interest on debt securities	2 538	79
- including related entities	2 538	79
Other interest	590	4
- including related entities		
Total interest	3 173	426

OTHER FINANCIAL INCOME	6 months ended 30 June 2008	6 months ended 30 June 2007
Rate of exchange		
Other		
Other financial income		

Note 31

FINANCIAL EXPENSES	6 months ended 30 June 2008	6 months ended 30 June 2007
Interest	(2)	(1 053)
- including related entities		(98)
Loss on the disposal of investments	(1 600)	
Other financial expenses	(10)	
Additional payment to equity	(4 350)	
Total financial expenses	(5 962)	(1 053)

Interest	6 months ended 30 June 2008	6 months ended 30 June 2007
Bank loan interest		(626)
Leasing interest		
- including related entities		
Loans interest		
- including related entities		
Interest on overdue payables	(1,5)	(71)
- including related entities		
Bonds interest		(353)
- including related entities		(98)
Treasury interests	(0,5)	(3)
Other interest		
- including related entities		
Total interest	(2)	(1 053)

OTHER FINANCIAL EXPENSES	6 months ended 30 June 2008	6 months ended 30 June 2007
Financial expenses of bank warranty		
Repayable additional payment to equity	(4 350)	
Other		
Total financial expenses	(4 350)	

Note 32

CORPORATE INCOME TAX	6 months ended 30 June 2008	6 months ended 30 June 2007
Gross (loss) profit	366	10 821
Non taxable revenues	87	(22 630)
<u>financial incomes</u>	127	(79)
<u>non operating incomes</u>	(40)	(22 551)
Non taxable costs and losses	9 794	27 598
<u>operating costs</u>	5 436	5 021
<u>financial expenses</u>	4 351	98
<u>other non operating expenses</u>	7	22 479
Additional taxable costs	(6 186)	(8 830)
Taxable revenue	4 061	6 959
Reductions – donations	(7)	(3)
Base of tax calculation	4 054	6 956
Tax amount 19%	771	1 322
CIT paid	771	1 322
Income tax for the period	771	1 322

Note 33

DEFERRED CORPORATE INCOME TAX	6 months ended 30 June 2008	6 months ended 30 June 2007
Increase (decrease) from temporary differences from previous years	(121)	(1 381)
Decrease (increase) due to tax loss, tax relief or temporary difference that were not accounted for in previous periods		
Decrease (increase) allowances for corporate income tax – simplify method		
Decrease (increase) as a title of deferred tax from consolidation		
Total deferred corporate income tax	(121)	(1 381)

Note 34

NET PROFIT PRE SHARE	6 months ended 30 June 2008	6 months ended 30 June 2007
Net profit	(525)	8 118
Number of shares - weight average	15 013 137	13 052 727
Net profit per share	-0,03	0,62
Diluted net profit per share	-0,03	0,62

* Number of shares - weight average 2008: January – May 14 992 732, June 15 115 161

* Number of shares - weight average 2007: January – March 12 923 985, April 13 004 006, May – June 13 270 200

Note 35

DIVIDEND

Note 36

THE STRUCTURE OF CASH IN THE STATEMENT OF CASH FLOW	6 months ended 30 June 2008	6 months ended 30 June 2007
Cash in the cash desk		
- opening balance	20	2
- closing balance	72	20
Cash at bank		
- opening balance	32 574	81
- closing balance	26 203	2 957
Other cash		
- opening balance		2 734
- closing balance		
Total cash		
- opening balance	32 594	2 817
- closing balance	26 275	2 977

Note 37

Classification of Company's activities by: operating, investing, financing in the cash flow statement:

I. Cash flow from operating activities includes:

- 1) Inflow from sales of merchandise, finished products and services
- 2) Inflow included in "other operating revenue" excluding revenue from the sale of fixed assets, which are disclosed in cash flow from investing activities.
- 3) Any expenses regarding costs of basic activity, such as: cost of merchandise sold, cost of finished products sold, selling costs, general overhead costs.
- 4) Expenses regarding costs included in "other operating expenses" excluding cost of fixed assets sold and cost of unplanned depreciation

II. Cash flow from investing activities includes:

- 1) Inflow from sales of:
 - fixed assets
 - shares and other financial fixed assets
 - short-term securities
- 2) Expenses regarding the purchase of:
 - fixed assets
 - shares and other financial fixed assets
 - short-term securities

-
- 3) Inflow from payment of short and long term loans granted by the Company to other entities
as well as payment of interest on those loans
 - 4) Expenses regarding the granting of long term loans to other entities
 - 5) Inflow of dividends received
 - 6) Interest received on bank deposits

III. Cash flow from financing activities includes:

- 1) Inflow of short and long term credits and loans received
- 2) Expenses regarding:
 - service of loans and credits received
 - payment of loans and credits
 - payment of interest on loans and credits received
- 3) Inflow from own shares issue
- 4) Expenses regarding costs of own shares issues
- 5) Expenses regarding payment of dividends and other payments to owners
- 6) Any inflow regarding "other financial revenue" except for interest on loans granted, interest on bank deposits and profit from sale of securities held for resale, which are disclosed in investing activities.
- 7) Any expenses regarding "other financial expenses" except for the loss on the sale of securities held for resale, which are disclosed in investing activities

Note 38

CHANGES IN CASH FLOW POSITIONS	6 months ended 30 June 2008	6 months ended 30 June 2007
Receivables	3 177	318
- change in receivables	3 177	
- investment receivables correct		
Short-term payables	(747)	3 948
- change in short-term payables	(719)	
- corporate income tax	(28)	
Inventory	(962)	(12 028)
- change in inventory	(962)	(12 028)

Lublin, September 2008

Management board of the company

2008-09-30	Artur Kawa	President of the management board signature
2008-09-30	Jarosław Wawerski	Vice- President of the management board signature
2008-09-30	Dariusz Kalinowski	Member of the management board – Financial Director signature
2008-09-30	Marek Wesołowski	Member of the management board – Retail Business Director signature
2008-09-30	Grzegorz Wawerski	Member of the management board – Retail Business Development Director signature

Person, who is responsible for accountancy

2008-09-30	Elżbieta Świniarska	Economic Director signature
2008-09-30	Urszula Podolak	Chief Accountant signature